

Charter Township of Plymouth

**Federal Awards
Supplemental Information
December 31, 2003**

Charter Township of Plymouth

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Independent Auditor's Report

To the Board of Trustees
Charter Township of Plymouth

We have audited the basic financial statements of the Charter Township of Plymouth for the year ended December 31, 2003 and have issued our report thereon dated May 28, 2004. Those basic financial statements are the responsibility of the management of the Charter Township of Plymouth. Our responsibility was to express an opinion on those basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the basic financial statements of the Charter Township of Plymouth taken as a whole. The accompanying schedule of expenditures of federal awards and reconciliation of basic financial statements federal revenue with schedule of expenditures of federal awards are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The information in these schedules has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Plante & Moran, PLLC

May 28, 2004

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Report Letter on Compliance with Laws and Regulations and Internal Control - Basic Financial Statements

To the Board of Trustees
Charter Township of Plymouth

We have audited the financial statements of the Charter Township of Plymouth as of and for the year ended December 31, 2003 and have issued our report thereon dated May 28, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Charter Township of Plymouth's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Charter Township of Plymouth's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. We noted other matters involving the internal control over financial reporting that we have reported to the management of the Charter Township of Plymouth in a separate letter.

To the Board of Trustees
Charter Township of Plymouth

This report is intended solely for the information and use of the Audit Committee, the Board of Trustees, management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Plante & Moran, PLLC

May 28, 2004

Report Letter on Compliance with Laws and Regulations and
Internal Control - Major Federal Awards

To the Board of Trustees
Charter Township of Plymouth

Compliance

We have audited the compliance of the Charter Township of Plymouth with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended December 31, 2003. The major federal programs of the Charter Township of Plymouth are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Charter Township of Plymouth's management. Our responsibility is to express an opinion on the Charter Township of Plymouth's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Charter Township of Plymouth's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Charter Township of Plymouth's compliance with those requirements.

In our opinion, the Charter Township of Plymouth complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2003.

To the Board of Trustees
Charter Township of Plymouth

Internal Control Over Compliance

The management of the Charter Township of Plymouth is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Charter Township of Plymouth's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Audit Committee, the Board of Trustees, management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Plante & Moran, PLLC

August 18, 2004

Charter Township of Plymouth

Schedule of Expenditures of Federal Awards Year Ended December 31, 2003

Federal Agency/Pass-through Agency/Program Title	CFDA Number	Pass-through Entity Project/Grant Number	Award Amount	Federal Expenditures
U.S. Department of Homeland Security - Passed through the Michigan Department of State Police:				
State Domestic Preparedness Program Grant	97.004	N/A	\$ 56,247	\$ 53,229
Public Assistance Grant	97.036	N/A	16,424	16,424
Emergency Management Performance Grant	97.042	N/A	26,373	13,385
Total U.S. Department of Homeland Security			99,044	83,038
U.S. Department of Housing and Urban Development - Community Development Block Grant - Passed through Wayne County	14.218	Various	149,000	141,201
U.S. Department of Justice - Passed through the Michigan Department of Community Health:				
Byrne and Local Law Enforcement Block Grant - Family violence investigator	16.579	70974-2K02	33,914	24,130
Byrne and Local Law Enforcement Block Grant - Family violence investigator	16.579	70974-3-03-B	28,122	7,241
Total U.S. Department of Justice				31,371
U.S. Environmental Protection Agency - Passed through Wayne County, Michigan - Rouge River National Demonstration Projects:				
Basin conversion, streambank protection, and flow control	66.unknown	RIII-13	84,800	48,365
HOA presentations and Tributary Signage	66.unknown	RIII-14	29,750	12,682
Total U.S. Environmental Protection Agency				61,047
Total federal awards				<u>\$ 316,657</u>

Charter Township of Plymouth

Reconciliation of Basic Financial Statements Federal Revenue with Schedule of Expenditures of Federal Awards Year Ended December 31, 2003

Revenue from federal sources - As reported on financial statements (includes all funds)	\$ 113,770
Revenue related to 2002 expenditures (not received within 60 days of December 31, 2002)	(24,748)
Revenue related to 2003 expenditures (not received within 60 days of December 31, 2003)	160,822
Federal revenue not reported as such in the financial statements:	
State Domestic Preparedness Grant	53,229
Emergency Management Performance Grant	<u>13,584</u>
Federal expenditures per the schedule of expenditures of federal awards	<u><u>\$ 316,657</u></u>

Charter Township of Plymouth

Charter Township of Plymouth

Note to Schedule of Expenditures of Federal Awards Year Ended December 31, 2003

Note - Significant Accounting Policies

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Charter Township of Plymouth and is presented on the same basis of accounting as the basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Charter Township of Plymouth

Schedule of Findings and Questioned Costs Year Ended December 31, 2003

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☒ No
- Reportable condition(s) identified that are not considered to be material weaknesses? ☐ Yes ☒ None reported

Noncompliance material to financial statements noted? ☐ Yes ☒ No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ☐ Yes ☒ No
- Reportable condition(s) identified that are not considered to be material weaknesses? ☐ Yes ☒ None reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? ☐ Yes ☒ No

Identification of major programs:

CFDA Numbers	Name of Federal Program or Cluster
14.218	Community Development Block Grant
97.004	State Domestic Preparedness Grant

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? ☐ Yes ☒ No

Charter Township of Plymouth

Schedule of Findings and Questioned Costs (Continued) Year Ended December 31, 2003

Section II - Financial Statement Audit Findings

None

Section III - Federal Program Audit Findings

None